Dr. A. SREENIVASAN : Sir, was the cycle tax abolished for election purposes?

The Hon. Sri S. S. RAMASWAMI PADAYATCHI : Your question is always the same.

Mr. CHAIRMAN : Questions are over.

[*Note.*—**An asterisk (*) at the commencement of a speech indicates revision by the Member.**]

II.—GOVERNMENT BUSINESS.

(1) PRESENTATION OF THE SECOND SUPPLEMENTARY STATEMENT OF EXPENDITURE FOR THE YEAR 1956–57.

3–10 p.m. The Hon. Sri C. SUBRAMANIAM : Sir, I present the Second Supplementary Statement of Demands for Grants for further expenditure for the current financial year, 1956–57, and the detailed estimates thereof. Copies of the Statement of Demands and Estimates have been laid on the table of the House.

2. As explained in the introductory memoranduum, the present supplementary estimates relate to—

(*a*) the additional provision required for schemes of expenditure covered by the Budget for this year and for schemes included in the First Supplementary Statement, with reference to the expenditure already incurred or expected to be incurred before the end of the year;

(*b*) ' New Service ' Schemes sanctioned by the Government in the latter part of the year which were not included in the First Supplementary Statement of Expenditure, mainly under ' Industries ' and ' Electricity ' Schemes; and

(*c*) payments of costs awarded by the courts in certain suits in which the Government were impleaded as a party.

In respect of New Services, the demand proposed is for the actual additional appropriation required to meet the expenditure in the current year on individual schemes, after taking into account the savings now anticipated in the concerned Grants. Where sufficient savings are expected, or no expenditure is likely to be incurred in the current year, the demand proposed is only for a token sum of Rs. 100.

3. In connection with the Budget for the current year, 45 Demands for Grants were voted by the Legislature in March 1956. involving a total amount of about Rs. 146 crores, besides a charged appropriation of about Rs. 26½ crores. In September last, Supplementary Demands were approved by the Legislature to an extent of about Rs. 4½ crores, mainly for grants and loans connected with the relief of distress in the areas affected by the cyclone. In the present Supplementary Statement, additional sums are asked for under 32 Demands, for a total sum of Rs. 26·75 crores for voted items, and Rs. 9·65 crores under charged items. At first sight, it

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would appear that the total demand is unduly large. But it should be remembered that against this additional demand, recoveries are anticipated to the extent of over Rs. 20 crores, so that the net demand is only for about Rs. 9·64 crores under charged items, and Rs. 6·68 crores under voted items.

4. Taking the charged appropriations first, the main item included in the total sum of Rs. 104 lakhs asked for in the Revenue Account is Rs. 80·6 lakhs under 'Debt charges', of which Rs. 17·2 lakhs is due mainly to a change in the procedure for obtaining the approval of the Legislature, and Rs. 3·4 lakhs is towards the charges on account of the discount allowed on the issue of the Open Market Loan in the current year. The balance of Rs. 60 lakhs is mainly on account of interest charges payable to the Government of India on the share of this Government in the large special Ways and Means advances, which were outstanding at the time of the Andhra Partition. The additional charged amount asked for outside the Revenue Account is Rs. 8·61 crores, which represents mostly the repayment of short-term advances taken from the Reserve Bank of India and the Government of India during the current year.

5. Under voted items, the substantial demands are as follows :—

Grant VIII—Irrigation (Rs. 52 lakhs) towards the cost of repairs to works damaged by the 1955 cyclone.

Grant XX—Co-operation (Rs. 83 lakhs) for the grant of rebate on sales of handloom cloth (this expenditure will be covered by allocation from the Handloom Cess Fund).

Grant XXII—Harijan Uplift (Rs. 36 lakhs) in respect of various schemes for the welfare of Scheduled Castes and Tribes and other Backward Classes.

Grant XXVII—Electricity (Rs. 170 lakhs) most of which is in the nature of Book Adjustments in respect of Generation Expenses of Electricity System.

Grant XXXII—Community Development Projects and National Extension Services and Local Development Works—(Rs. 161 lakhs) mostly for the Local Development Works Programme for which Central Grants to the extent of Rs. 137 lakhs are anticipated.

Grant XXXIII—Road Transport Schemes—(Rs. 22 lakhs) representing increased maintenance, etc., charges on account of the addition to the fleet strength in the State Transport Service, including the Kanyakumari branch.

The demands that have been just mentioned are in the Revenue Account. In the capital account, the large demands are the following :—

Grant XXXVI—Irrigation (Rs. 212 lakhs), Grant XXXVII—Public Health (Rs. 31 lakhs, Grant XLI—Electricity Schemes (Rs. 13·83 lakhs) and Grant XLII—Road Transport Schemes

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(Rs. 31 lakhs), most of which represent Book Adjustments in respect of Suspense transactions, the demand having to be presented for the debits only ignoring the credits, under the existing system of gross budgeting. Apart from these items, token demands are asked for in respect of new service schemes under Irrigation, Public Health, Civil Works and Electricity, particulars for which are given in the detailed estimates. The Demand under Road Transport includes the cost of the purchase of additional buses also. The other noteworthy demands are :—

Rs. 42 lakhs for Schemes of State Trading (Grant XLIV), which is mainly on account of the payment in the current year of the cost of chemical fertilizers supplied by the Government of India in previous years, and Rs. 17 lakhs for Loans and Advances by the State Government (Grant XLV), to meet the anticipated disbursements of loans to municipalities in respect of water-supply and drainage schemes and for other Public Health purposes.

6. Full particulars of all demands will be found in the Detailed Supplementary Estimate. This additional expenditure has already been anticipated generally in the Revised Estimate for 1956-57, presented to the Legislature on the 17th instant.

7. With these words, I commend the Supplementary Estimates for the acceptance of the House.

(2) GENERAL DISCUSSION ON THE BUDGET FOR THE YEAR 1957-58—*cont.*

3-20 p.m. MR. CHAIRMAN : We will now continue the general discussion on the Budget. The hon. Member Sri Mohamed Raza Khan will now speak.

* SRI MOHAMED RAZA KHAN : Mr. Chairman, Sir, the very fact that the speech of the Hon. the Finance Minister hardly runs to four pages is proof of the fact that there is not much to be said from this side of the House. The whole Budget that was presented to us is a 'Vote on Account' for four months. The Government have done well in having convened the Budget session for this 'Vote on Account' in this part of the year rather than doing it in the month of February or March because there would not be any reality then in our discussion as was the case in connexion with a similar Budget before the last General Elections. It is an undoubted fact that the Hon. the Minister for Finance in the four and a half years of his stewardship of the finances of this State has done his best to see that whatever amount accrues to the Government is spent on nation-building activities. Not only that. As I have said on previous occasions and I still maintain, if we take an overall picture of the financial position of the various States and the taxation strucuture in the various States and if we also see how many taxes this State has had to impose, I think the Hon. the Minister for Finance will get the first prize throughout the Indian Union because Madras will hold the record in regard to the number of taxation measures, many of them very, very rigorous and falling on the